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James W. Tobin III
Executive Vice President & Chief Lobbyist

March 23, 2023

The Honorable Kevin McCarthy
Speaker
U.S. House of Representatives
Washington, DC 20515

Dear Speaker McCarthy:

On behalf of the more than 140,000 members of the National Association of Home Builders (NAHB), I write in support of H.R. 1, the Lower Energy Costs Act. This bill provides pragmatic energy and climate solutions while preserving housing affordability and homeowner energy choice.

Above all, NAHB applauds the bill's repeal of Section 50131 of the Inflation Reduction Act which would provide \$1 Billion to pressure state and local governments to adopt advanced energy codes, such as the 2021 International Energy Conservation Code (IECC) for residential buildings and the ANSI/ASHRAE/IES Standards 90.1-2019 for commercial buildings. While NAHB supports the adoption of cost-effective, modern energy codes, we oppose these grant programs that prevent amendments to the energy code that accommodate local conditions and a cost-effectiveness analysis. Moreover, NAHB is exceedingly concerned with the \$670 million set aside in the grant program that promotes the adoption of the zero-energy provisions of the 2021 IECC. These zero-energy targets are not realistic or cost-effective for many jurisdictions.

Forcing the adoption of advanced energy codes to qualify for these grants would exacerbate the current housing affordability crisis and limit energy choices for consumers. Adoption of the 2021 IECC can cost a home buyer as much as \$22,000 in additional costs and can take as long as 90 years to see a simple payback for these investments. Implementation of these grants would result in fewer families being able to achieve the American dream of homeownership.

Efforts to push advanced energy codes across the country overburden new construction and largely ignore the energy performance of the existing housing stock. New homes built to modern codes are already energy efficient which makes increasing code stringency often unnecessary. While H.R. 1 also repeals Section 50122 of the Inflation Reduction Act (the High-Efficiency Electric Home Rebate Program) that addresses energy efficiency in older homes, this program would be confusing and overly burdensome for the typical homeowner. NAHB stands ready to work with Congress to develop a practical energy efficiency program that addresses the great need for energy efficiency improvements in older homes.

NAHB supports H.R. 1 as it provides much needed common-sense energy solutions for our country while protecting consumer choice and preserving housing affordability. We urge the House of Representatives to swiftly pass this legislation.

Thank you for considering our views,

Sincerely,

A handwritten signature in black ink, appearing to read "James W. Tobin III", written in a cursive style.

James W. Tobin III